

POLE ATTACHMENT AGREEMENT

BETWEEN

**STATE OF NEW HAMPSHIRE
DEPARTMENT OF EMP. SECURITY**

AND

UNITIL ENERGY SYSTEMS, INC.

AND

VERIZON NEW ENGLAND INC.

CONCORD ELECTRIC COMPANY

AERIAL LICENSE AGREEMENT

DATED May 17, 1991

BETWEEN

NEW ENGLAND TELEPHONE AND TELEGRAPH COMPANY
(LICENSOR)

AND

CONCORD ELECTRIC COMPANY
(LICENSOR)

AND

STATE OF NEW HAMPSHIRE
DEPARTMENT OF EMPLOYMENT SECURITY
(LICENSEE)

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LICENSE AGREEMENT

THIS AGREEMENT, made this 17th day of May 1991, by and between Concord Electric Company, a corporation organized and existing under the laws of the State of New Hampshire, having its principal office in the City of Concord, New Hampshire, and New England Telephone and Telegraph Company, a corporation organized and existing under the laws of the State of New York, having its principal office in the City of Boston, Massachusetts (either or both hereinafter referred to as the "Licensor") and the State of New Hampshire, Department of Employment Security, a legal government entity existing under the laws of the State of New Hampshire, having its principal office in the City of Concord, New Hampshire, hereinafter called the Licensee.

WITNESSETH

WHEREAS, Licensee proposes to furnish communications services in the City of Concord, New Hampshire; and

WHEREAS, Licensee will need to place and maintain attachments within the area described above and desires to place such attachments on poles of Licensor; which poles are either jointly or solely owned by the Licensors; and

WHEREAS, Licensor is willing to permit, to the extent they may lawfully do so, the placement of said attachments on Licensor's facilities where reasonably available and where such use will not interfere with Licensor's service requirements or the use of its facilities by others subject to the terms of this agreement;

NOW THEREFORE, in consideration of the mutual covenants, terms and conditions herein contained, the parties do hereby mutually covenant and agree as follows:

ARTICLE I
DEFINITIONS

As Used in This Agreement

A) Anchor Rod

A metal rod connected to an anchor and to which a guy strand is attached. Also known as a "guy rod".

B) Attachment

Any single strand, hardware, cable, wires and/or apparatus attached to a pole and owned by the Licensee.

C) Guy Strand

A metal cable of high tensile strength which is attached to a pole and anchor rod (or another pole) for the purpose of reducing pole stress.

D) Joint Owner

A person, firm or corporation having an ownership interest in a pole and/or anchor rod with Licensor.

E) Make-Ready Work

The work required (rearrangement and/or transfer of existing facilities on a pole, replacement of pole or any other changes) to accommodate the Licensee's attachments on Licensor's pole.

F) Field Survey Work or Survey Work

A survey of the poles on which Licensee wishes to attach in order to determine what work, if any, is required to make the pole ready to accommodate the required attachment, and to provide the basis for estimating the cost of this work.

G) Other Licensee

Any entity, other than Licensee herein or a joint user, to whom Licensor has or hereafter shall extend the privilege of attaching communications facilities to Licensor's poles.

H) Joint User

A party with whom Licensor has entered into, or may hereafter enter into, a written agreement covering the rights and obligations of the parties thereto with respect to the use of poles and anchor rods owned by each party.

I) Suspension Strand

A metal cable of high tensile strength attached to pole and used to support communications facilities. Also known as "Messenger Cable".

J) Identification Tags

Identification tags are used to identify Licensee's plant. Identification tags shall be made of polyethylene and polyvinyl chloride with ultraviolet inhibitors. The two types of Identification tags are cable and apparatus tags as described in Appendix III, Form G.

Article II

SCOPE OF AGREEMENT

- (A) Subject to the provisions of this Agreement, Licensors agree to issue to Licensee for any lawful communications purpose, revocable, nonexclusive licenses authorizing the attachment of Licensee's attachments to Licensors' poles numbered Telephone 160/4 thru 8, 163/1; Electric poles 8, 10, 11, 13, 15, 16 on South Main Street; Telephone 163/2, Electric 1 on Chandler Street, in Concord, New Hampshire.
- (B) No use, however extended, of Licensors' poles or payment of any fees or charges required under this Agreement shall create or vest in Licensee any ownership or property rights in such poles. Licensee's rights herein shall be and remain a license. Neither this Agreement nor any license granted hereunder shall constitute an assignment of any of Licensors' rights to use the public or private property at the location of Licensors' poles.
- (C) Nothing contained in this Agreement shall be construed to compel Licensors to construct, retain, extend, place or maintain any pole, or other facilities not needed for Licensors' own service requirements.
- (D) Nothing contained in this Agreement shall be construed as a limitation, restriction, or prohibition against Licensors with respect to any agreement(s) and arrangement(s) which Licensors has heretofore entered into, or may in the future enter into with others not parties to this Agreement regarding the poles covered by this Agreement. The rights of Licensee shall at all times be subject to any such existing agreement(s) or arrangement(s) between Licensors and any joint owner(s) or joint user(s) of Licensors' poles.

ARTICLE III

FEES AND CHARGES

- (A) Licensee agrees to pay to Licensors the fees and charges as specified in and in accordance with the terms and conditions of APPENDIX I, attached hereto and made a part hereof.
- (B) Nonpayment of any amount due under this Agreement shall constitute a default of this Agreement.
- (C) Licensee shall furnish bond or other satisfactory evidence of financial security in such form (Appendix III Form F hereto attached) and amount as Licensors from time to time may require, in an initial amount of \$, but not exceeding \$50,000.00, to guarantee the payment of any sums which may become due to Licensors for fees due hereunder or charges for work performed for the benefit of Licensee under this Agreement, including

the removal of Licensee's attachments upon termination of this Agreement or upon termination of any License issued hereunder. The financial security requirement may be waived in writing by Licensor or either of them and reinstituted if waived.

- (D) The Licensor may change the amount of fees and charges specified in Appendix I by giving the Licensee not less than sixty (60) days' written notice prior to the date the change is to become effective. Notwithstanding any other provision of this Agreement, Licensee may terminate this Agreement at the end of such sixty-day notice period if the change in fees and charges is not acceptable to Licensee; provided Licensee gives Licensor written notice of its election to terminate this Agreement at least thirty (30) days prior to the end of such sixty-day period.
- (E) Changes or amendments to APPENDIX I shall be effected by the separate execution of APPENDIX I as so modified. The separately executed APPENDIX I shall become a part of and be governed by the terms and conditions of this Agreement. Such changes or amendments shall become effective within sixty (60) days and shall be presumed acceptable unless within that period Licensee advises Licensor in writing that the changes and amendments are unacceptable and, in addition, within thirty (30) days thereafter submits the issue to the regulatory body asserting jurisdiction over this agreement for decision.

ARTICLE IV

ADVANCE PAYMENT

- (A) Licensee shall make an advance payment to the Licensor prior to:
 - (1) any undertaking by Licensor of the required field survey [See Article VIII para. (A)] in an amount specified by Licensor sufficient to cover the estimated cost to be incurred by Licensor to complete such survey.
 - (2) any performance by Licensor of any make-ready work required in an amount specified by Licensor sufficient to cover the estimated cost to be incurred by Licensor to complete the required make-ready work.
- (B) The amount of the advance payment required will be credited against the full cost to Licensor for performing such work or having such work performed by others plus, unless waived by Licensor or either of them, an amount equal to ten (10%) percent of Licensor's full cost.

- (C) Where the advance payment made by Licensee to Licensor for field survey or make-ready work is less than the full cost to Licensor for such work, Licensee agrees to pay Licensor all sums due in excess of the amount of the advance payment.
- (D) Where the advance payment made by Licensee to Licensor for field survey or make-ready work exceeds the full cost to Licensor for such work, Licensor shall refund the difference to Licensee.

ARTICLE V SPECIFICATIONS

- (A) Licensee's attachments shall be placed and maintained in accordance with the requirements and specifications of the latest editions of the Manual of Construction Procedures (Blue Book), Electric Company Standards, the National Electrical Code (NEC), the National Electrical Safety Code (NESC) and rules and regulations of the Occupational Safety and Health Act (OSHA) or any governing authority having jurisdiction over the subject matter. Where a difference in specifications may exist, the more stringent shall apply.
- (B) If any part of Licensee's attachments is not so placed and maintained, Licensor may upon ten (10) days written notice to Licensee and in addition to any other remedies Licensor may have hereunder, remove Licensee's attachments from any or all of the Licensor's poles or perform such other work and take such other action in connection with said attachments that Licensor deems necessary or advisable to provide for the safety of Licensor's employees or performance of Licensor's service obligations at the cost and expense to Licensee and without any liability therefor; provided, however, that when in the sole judgement of Licensor such a condition may endanger the safety of Licensor's employees or interfere with the performance of Licensor's service obligations, Licensor may take such action without prior notice to Licensee.
- (C) As described in Appendix III, Section G, Licensee shall place Identification cable tags on cables located on poles and Identification Apparatus tags on any associated items of Licensee's Plant, e.g., guys, anchors or terminals. The Telephone Company, in its sole determination, has the right to approve all identification tags that are different than those described in Appendix III, Section G.

ARTICLE VI LEGAL REQUIREMENTS

- (A) Licensee shall be responsible for obtaining from the appropriate public and/or private authority any required authorization to construct, operate and/or maintain its attachment on public and private property at the location of Licensor's poles which Licensee uses and shall submit to Licensor evidence of such authority before making attachments on such public and/or private property.

- (B) The applicable provisions in the attachment entitled "Non-Discrimination Compliance Agreement" shall form a part of this agreement and any amendments thereto. (Attachment A)
- (C) The parties hereto shall at all times observe and comply with, and the provisions of the Agreement are subject to, all laws, ordinances, and regulations which in any manner affect the rights and obligations of the parties hereto under this Agreement, so long as such laws, ordinances or regulations remain in effect.

- (D) No license granted under this Agreement shall extend to any of Licensor's poles where the placement of Licensee's attachments would result in a forfeiture of the rights of Licensor or joint users to occupy the property on which such poles are located. If placement of Licensee's attachments would result in a forfeiture of the rights of Licensor or joint users, or both, to occupy such property, Licensee agrees to remove its attachments forthwith; and Licensee agrees to pay Licensor or joint users, or both, all losses, damages, and costs incurred as a result thereof.

ARTICLE VII

ISSUANCE OF LICENSES

- (A) Before Licensee shall attach to any pole, Licensee shall make application for and have received a license therefor in the form of APPENDIX III, Forms A-1 and A-2.
- (B) Licensee agrees to limit the filing of applications for pole attachment licenses to include not more than 200 poles on any one application and 2,000 poles on all applications which are pending approval by Licensor at any one time. Such limitations will apply to Licensor's poles located within a single plant construction district of Licensor. Licensee further agrees to designate a desired priority of completion of the field survey and make-ready work for each application relative to all other of its applications on file with Licensor at the same time.

ARTICLE VIII

POLE MAKE-READY WORK

- (A) A field survey will be required for each pole for which attachment is requested to determine the adequacy of the pole to accommodate Licensee's attachments. The field survey will be performed jointly by representatives of Licensor, joint owner and/or joint user and Licensee.
- (B) Licensor reserves the right to refuse to grant a license for attachment to a pole when Licensor determines that the communications space on such pole is required for its exclusive use or that the pole may not reasonably be rearranged or replaced to accommodate Licensee's attachments.

- (C) In the event Licensor determines that a pole to which Licensee desires to make attachments is inadequate or otherwise needs rearrangement of the existing facilities thereon to accommodate the attachments of Licensee in accordance with the specifications set forth in Article V, Licensor will indicate on the Authorization for Pole Make-Ready Work (Appendix III, Form B2) the estimated cost of the required make-ready work and return it to Licensee.
- (D) Any required make-ready work will be performed following receipt by Licensor of completed Form B2. Licensee shall pay Licensor for all make-ready work completed in accordance with the provisions of APPENDIX I, and shall also reimburse the owner(s) of other facilities attached to said poles for any expense incurred by it or them in transferring or rearranging such facilities to accommodate Licensee's pole attachments. Licensee shall not be entitled to reimbursement of any amounts paid to Licensor for pole replacements or for rearrangement of attachments on Licensor's poles by reason of the use by the Licensor or other authorized user(s) of any additional space resulting from such replacement or rearrangement.
- (E) Should Licensor, or another party with whom it has a joint use agreement, for its own service requirements, need to attach additional facilities to any of Licensor's poles, to which Licensee is attached, Licensee will either rearrange its attachments on the pole or transfer them to a replacement pole as determined by Licensor so that the additional facilities of Licensor or joint user may be attached. The rearrangement or transfer of Licensee's attachments will be made at Licensee's sole expense. If Licensee does not rearrange or transfer its attachments within fifteen (15) days after receipt of written notice from Licensor requesting such rearrangement or transfer, Licensor or joint user may perform or have performed such rearrangement or transfer and Licensee agrees to pay the costs thereof.
- (F) Licensor may, when it deems an emergency to exist, rearrange, transfer or remove Licensee's attachments to Licensor's poles, at Licensee's expense, and without any liability on the part of the Licensor for damage or injury to Licensee's attachments.
- (G) License applications received by Licensor from two or more licensees for attachment accommodations on the same pole, prior to the commencement of any field survey or make-ready work required to accommodate any licensee, will be processed by Licensor in accordance with the procedures detailed in APPENDIX II attached hereto.
- (H) In performing all make-ready work to accommodate Licensee's attachments, Licensor will endeavor to include such work in its normal work load schedule.

- (I) Licensee may attach its guy strand to Licensor's existing anchor rod at no charge where Licensor determines that adequate capacity is available; provided that Licensee agrees to secure any necessary right-of-way therefore from the appropriate property owner. Should Licensor, or joint user, if any, for its own service requirements, need to increase its load on the anchor rod to which Licensee's guy is attached, Licensee will either rearrange its guy strand on the anchor rod or transfer it to a replacement anchor as determined by Licensor. The cost of such rearrangement and/or transfer, and the placement of a new or replacing anchor will be at the sole expense of Licensee, which Licensee agrees to pay. If Licensee does not rearrange or transfer its guy strand within fifteen (15) days after receipt of written notice from Licensor regarding such requirement, Licensor or joint user may perform, or have performed, the work involved and Licensee agrees to pay the full costs thereof.

ARTICLE IX

CONSTRUCTION, MAINTENANCE AND REMOVAL OF ATTACHMENTS

- (A) Licensee shall, at its own expense, construct and maintain its attachments on Licensor's poles in a safe condition and in a manner acceptable to Licensor, so as not to conflict with the use of the Licensor's poles by Licensor or by other authorized users of Licensor's poles, nor electrically interfere with Licensor's facilities attached thereon.
- (B) Licensor shall specify the point of attachment on each of Licensor's poles to be occupied by Licensee's attachments. Where multiple licensees' attachments are involved, Licensor will attempt to the extent practical, to designate the same relative position on each pole for each licensee's attachments.
- (C) Licensee shall obtain specific written authorization from Licensor before relocating or replacing its attachments on Licensor's poles.
- (D) All tree trimming made necessary, in the opinion of the Licensors, by reason of the Licensee's proposed attachments at the time of attachment or thereafter, provided the owner(s) of such trees grants permission to the Licensee, shall be performed by contractors approved by Licensors, at the sole cost, expense and direction of the Licensee, except such trimming as may be required on Licensee's customers' premises, to clear Licensee's cable drops, which trimming shall be done by the Licensee at its expense.
- (E) Licensee, at its expense, will remove its attachments from any of Licensor's poles within fifteen (15) days after termination of the license covering such attachments.

If Licensee fails to remove its attachments within such fifteen (15) day period, Licensor shall have the right to remove such attachments at Licensee's expense and without any liability on the part of the Licensor for damage or injury to Licensee's attachments.

ARTICLE X

TERMINATION OF LICENSE

- (A) Any license issued under this Agreement shall automatically terminate when Licensee ceases to have authority to construct, operate and/or maintain its attachments on the public or private property at the location of the particular pole covered by the license.
- (B) Licensee may at any time remove its attachments from a pole after first giving Licensor written notice of such removal (APPENDIX III, Form D). Following such removal, no attachment shall again be made to such pole until Licensee shall have first complied with all of the provisions of this Agreement as though no such attachment had previously been made.

ARTICLE XI

INSPECTIONS OF LICENSEE'S ATTACHMENTS

- (A) Licensor reserves the right to make periodic inspections of any part of Licensee's attachments, including guying, attached to Licensor's poles, and Licensee shall reimburse Licensor for the expense of such inspections.
- (B) The frequency and extent of such inspections by Licensor will depend upon Licensee's adherence to the requirements of Articles V and VII herein.
- (C) Licensor will give Licensee advance written notice of such inspections, except in those instances where, in the sole judgement of Licensor, safety considerations justify the need for such an inspection without the delay of waiting until a written notice has been forwarded to Licensee.
- (D) The making of periodic inspections or the failure to do so shall not operate to relieve Licensee of any responsibility, obligation or liability assumed under this Agreement.
- (E) Any charge imposed by Licensor for such inspections shall be in addition to any other sums due and payable by Licensee under this Agreement. No act or failure to act by Licensor with regard to said charge or any unlicensed use by Licensee shall be deemed as a ratification or the licensing of the unlicensed use; and if any license should subsequently be issued, said license shall not operate retroactively or constitute a waiver by Licensor of any of its rights or privileges under this Agreement or otherwise.

ARTICLE XII

UNAUTHORIZED ATTACHMENTS

- (A) If any of Licensee's attachments shall be found attached to Licensors poles for which no license is outstanding, Licensors, without prejudice to its other rights or remedies under this Agreement (including termination) or otherwise, may impose a charge and require Licensee to submit in writing, within fifteen (15) days after receipt of written notification from Licensors of the unauthorized attachment, a pole attachment application. If such application is not received by the Licensors within the specified time period, Licensee shall remove its unauthorized attachment within fifteen (15) days of the final date for submitting the required application, or Licensors may remove Licensee's facilities without liability, and the expense of such removal shall be borne by Licensee.
- (B) For the purpose of determining the applicable charge, absent satisfactory evidence to the contrary, the unauthorized pole attachment shall be deemed as having existed since the date of this agreement, and the fees and charges as specified in APPENDIX I, shall be applicable thereto and due and payable forthwith whether or not Licensee is permitted to continue the pole attachment.

ARTICLE XIII

LIABILITY AND DAMAGES

- (A) Licensors reserves to itself, its successors and assigns, the right to locate and maintain its poles and to operate its facilities in conjunction therewith in such a manner as will best enable it to fulfill its own service requirements. Licensors shall not be liable to Licensee for any interruption of Licensee's service or for interference with the operation of Licensee's communications services arising in any manner, except from Licensors's sole negligence, out of the use of Licensors's poles.
- (B) Licensee shall exercise precaution to avoid damaging the facilities of Licensors and of others attached to Licensors's poles, and Licensee assumes all responsibility for any and all loss from such damage caused by Licensee's employees, agents or contractors. Licensee shall make an immediate report to Licensors and any other user of the occurrence of any such damage and agrees to reimburse the respective parties for all costs incurred in making repairs.

- (C) Except, as may be caused by the sole negligence of Licensor, or either of them, Licensee shall defend, indemnify and save harmless Licensor, or either of them, against and from any and all liabilities, claims, suits, fines, penalties, damages, losses, fees, costs and expenses arising from or in connection with this Agreement (including reasonable attorneys' fees) including, but not limited to, those which may be imposed upon, incurred by or asserted against Licensor, or either of them by reason of (a) any work or thing done upon the poles licensed hereunder or any part thereof performed by Licensee or any of its agents, contractors, servants, or employees; (b) any use, occupation, condition, operation of said poles or any part thereof by Licensee or any of its agents, contractors, servants, or employees; (c) any act or omission on the part of Licensee or any of its agents, contractors, servants, or employees, for which Licensor may be found liable; (d) any accident, injury (including death) or damage to any person or property occurring upon said poles or any part thereof arising out of any use thereof by Licensee or any of its agents, contractors, servants, or employees; (e) any failure on the part of Licensee to perform or comply with any of the covenants, agreements, terms or conditions contained in this Agreement, (f) payments made under any Workers' Compensation Law or under any plan for employees disability and death benefits arising out of any use of the poles by Licensee or any of its agents, contractors, servants, employees or by (g) the erection, maintenance, presence, use, occupancy or removal of Licensee's attachments by Licensee or any of its agents, contractors, servants or employees or by their proximity to the facilities of other parties attached to Licensor's poles.
- (D) Licensee shall indemnify, save harmless and defend Licensor from any and all claims and demands of whatever kind which arise directly or indirectly from the operation of Licensee's attachments, including taxes, special charges by others, claims and demands for damages or loss for infringement of copyright, for libel and slander, for unauthorized use of television broadcast programs, and for unauthorized use of other program material, and from and against all claims and demands for infringement of patents with respect to the manufacture, use and operation of Licensee's attachments in combination with Licensor's poles, or otherwise.

The provisions of this Article shall survive the expiration or earlier termination of this Agreement or any license issued thereunder.

ARTICLE XIV INSURANCE

- (A) Licensee shall carry insurance issued by an insurance carrier satisfactory to Licensor to protect the parties hereto from and against any and all claims, demands, actions, judgements, costs, expenses and liabilities of every kind and nature which may arise or result, directly or indirectly from or by reason of such loss, injury or damage as covered in Article XIII preceding.
- (B) The amounts of such insurance, without deductibles:
- (1) against liability due to damage to property shall not be less than \$1,000,000 as to any one occurrence and \$1,000,000 aggregate, and

- (2) against liability due to injury to or death of persons shall be not less than \$3,000,000.00 as to any one person and \$3,000,000.00 as to any one occurrence.
- (C) Licensee shall also carry such insurance as will protect it from all claims under any Workers' Compensation Law in effect that may be applicable to it.
- (D) All insurance must be effective before Licenser will authorize Licensee to make attachments to any pole and shall remain in force until such attachments have been removed from all such poles.
- (E) Licensee shall submit to Licenser certificates of insurance including renewal thereof shown as Form E of Appendix III hereto annexed, by each company insuring Licensee to the effect that it has insured Licensee for all liabilities of Licensee covered by this Agreement; and that such certificates will name the Licenser as an additional insured under the public liability policy and that it will not cancel or change any such policy of insurance issued to Licensee except after the giving of not less than 30 days' written notice to Licenser.

ARTICLE XV AUTHORIZATION NOT EXCLUSIVE

Nothing herein contained shall be construed as a grant of any exclusive authorization, right or privilege to Licensee. Licenser shall have the right to grant, renew and extend rights and privileges to others not parties to this Agreement, by contract or otherwise, to use any pole covered by this Agreement.

ARTICLE XVI ASSIGNMENT OF RIGHTS

- (A) Licensee shall not assign or transfer this Agreement or any authorization granted hereunder, and this Agreement shall not inure to the benefit of Licensee's successors, without the prior written consent of Licenser.
- (B) In the event such consent or consents are granted by Licenser, then this Agreement shall extend to and bind the successors and assigns of the parties hereto.

Pole space licensed to Licensee hereunder is for Licensee's use only, and Licensee shall not lease, sublicense, share with, convey or resell to others any such space or rights granted hereunder.

ARTICLE XVII FAILURE TO ENFORCE

Failure of Licenser to enforce or insist upon compliance with any of the terms or conditions of this Agreement or to give notice or declare this Agreement or any authorization granted hereunder terminated shall not constitute a general waiver or relinquishment of any term or condition of this Agreement, but the same shall be and remain at all times in full force and effect.

ARTICLE XVIII

TERMINATION OF AGREEMENT

- (A) If Licensee shall fail to comply with any of the terms or conditions of this Agreement or default in any of its obligations under this Agreement, or if Licensee's facilities are maintained or used in violation of any law and Licensee shall fail within thirty (30) days after written notice from Licensor to correct such default or noncompliance. Licensor may at its option forthwith terminate this Agreement and all authorizations granted hereunder, or the authorizations covering the poles as to which such default or noncompliance shall have occurred.
- (B)

If an insurance carrier shall at any time notify Licensor that the policy or policies of insurance, required under ARTICLE XIV hereof, will be cancelled or changed so that the requirements of ARTICLE XIV will no longer be satisfied, then this Agreement terminates unless prior to the effective date thereof Licensee shall furnish to Licensor certificates of insurance including insurance coverage in accordance with the provisions of ARTICLE XIV hereof.
- (C) In the event of termination of this Agreement Licensee shall remove its attachments from Licensor's poles within six (6) months from date of termination; provided, however, that Licensee shall be liable for and pay all fees pursuant to the terms of this Agreement to Licensor until Licensee's attachments are removed from Licensor's poles.
- (D) If Licensee does not remove its attachments from Licensor's poles within the applicable time periods specified in this Agreement, Licensor shall have the right to remove them at the expense of Licensee and without any liability on the part of Licensor to Licensee therefor; and Licensee shall be liable for and pay all fees pursuant to the terms of this Agreement to Licensor until such attachments are removed.

ARTICLE XIX

TERM OF AGREEMENT

- (A) This Agreement shall remain in effect for a term of five (5) years from the date hereof.

- (B) Termination of this Agreement or any licenses issued hereunder shall not affect Licensee's liabilities and obligations incurred hereunder prior to the effective date of such termination.

ARTICLE XX

NOTICES

All written notices required under this Agreement shall be given by posting the same in first class mail as follows:

To Licensee: State of New Hampshire
Department of Employment Security
32 South Main Street
Concord, New Hampshire 03301
Atten: Commissioner

To Licensors: New England Telephone and Telegraph Company
C/O Director Of Operations C/E
Prescott Hill
RFD #2, Route 106
Laconia, New Hampshire 03246

To Licensors: Concord Electric Company
P.O. Box 1338
Concord, New Hampshire 03301

This agreement cancels and supersedes any and all previous pole attachment agreements between the Licensors and Licensee insofar as the aforementioned municipalities are concerned except as to liabilities already accrued, if any.

In WITNESS WHEREOF, the parties hereto have executed this Agreement in triplicate on the day and year first above written.

STATE OF NEW HAMPSHIRE
DEPARTMENT OF EMPLOYMENT SECURITY

By *John J. Nadeau*
(Title) COMMISSIONER
Date of Execution: 3/18/91

NEW ENGLAND TELEPHONE AND TELEGRAPH COMPANY

By *W. J. Bonner*
(Title) Director-Facility Development
Date of Execution: 5/17/91

CONCORD ELECTRIC COMPANY

By *Stewart E. Aitken*
(Title)
Date of Execution: 5/18/91

Schedule of Fees and Charges
POLE ATTACHMENTS

(A) Attachments

1. General

The licensee shall pay the Licensor as rental for use of each and every pole covered by this Agreement, any portion of which is occupied or reserved at the Licensee's request for its attachment during a calendar year or any portion thereof, an attachment fee as herein specified. Such fee shall be payable to the respective Licensor as detailed below:

2. Annual Attachment Fee

Electric Company:

The Licensee shall pay to Unitil Energy Systems, Inc. - Capital Distribution Operations Center, as rental for the use of each and every pole covered by this Agreement, any portion of which is occupied or reserved at the Licensee's request for its attachments, and Annual Attachment Fee for each attachment for each calendar year or any portion thereof. Such fees shall be payable annually on December 1st of each year for each pole occupied or reserved at any time during any calendar year while this Agreement is in effect. For poles jointly owned or occupied by the Telephone Company and Unitil Energy Systems, Inc. - Capital Distribution Operations Center, fees shall be paid as herein provided with a portion paid to each Company in accordance with the agreed upon rate.

* \$ 13.90 per solely owned Unitil Energy Systems, Inc. - Capital Distribution Operations Center pole.

* \$ 3.62 per attachment per jointly owned or used Telephone Company and Electric Company pole.

3. Unauthorized Attachment Fee

For each pole on which the Licensee has made an unauthorized attachment, payment shall be made by the Licensee to Licensor as follows:

Solely owned pole* \$74.03

Jointly owned pole* \$19.28

(B) Other Charges

Computation

All charges for field survey, inspections, removal of Licensee's facilities from Licensor's poles and any other work performed for Licensee shall be based upon the full cost and expense to Licensor of such work or for having such work performed by an authorized representative plus, unless waived by Licensor or either of them, an amount equal to ten (10%) percent of Licensor's full cost.

(C) Cost of Facility Modifications or Additions

1. Modifications or Additions Benefiting Only Licensee

After Licensee's initial attachment, if a modification benefits Licensee in that it there- by adds to, adjusts or modifies its attachments, Licensee shall be obligated to assume any costs associated with the modification to Licensor's facilities.

2. Modification or Addition Benefiting Multiple Parties

After Licensee's initial attachment, if a modification or addition benefits multiple parties, including Licensee, by allowing the parties to obtain access to the facility or add to, adjust or modify existing attachments, Licensee shall pay a proportionate share of all costs associated with the modification.

- A. Each party's proportionate share of the total cost shall be based on the ratio of the amount of new space occupied by a party to the total amount of new space occupied by all of the parties joining in the modification.

3. Modifications or Additions Initiated or Requested by Licensee

After Licensee's initial attachments, if Licensee seeks to add to, adjust or modify its attachment in any way, any costs associated with modifying a facility shall be borne by the Licensee.

- A. Licensee shall reimburse Licensor on an actual cost basis for any labor or administrative costs incident to providing maps, plats and other data in response to inquiries regarding access.
- B. In the event that a modification or addition by Licensee results in excess capacity that permits additional parties to attach, Licensee may request such parties to reimburse Licensee for costs of the modification to the extent allowed by law.

- C. In the event that a modification or addition by Licensee results in excess capacity that permits additional parties to attach, Licensor shall not be required to maintain any records regarding the modification or to otherwise facilitate any collection of reimbursement for Licensee from attaching parties.
- D. In the event that a modification or addition by Licensee results in excess capacity that permits additional parties to attach, Licensor shall not be required to apply any after-earned revenues from excess capacity to reimburse Licensee.

(D) Payment Date and Interest Charges

Failure to pay all fees and charges within thirty (30) days after presentment of the bill therefore or on the specified payment date, whichever is later, shall constitute a default of this Agreement.

Interest – Electric Company

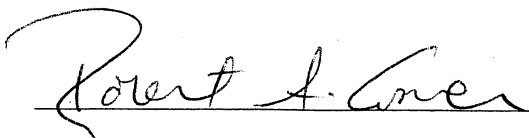
Unitil Energy Systems, Inc. - Capital Distribution Operations Center will include an interest charge of one and one-half percent (1 ½%) per month (equivalent to an eighteen percent (18%) annual rate) on all charges outstanding beyond thirty (30) days after the payment date as defined above. The payment of any such interest charge shall not cure or excuse any default by Licensee under this agreement. Licensor, at its sole discretion, may change this late fee from time to time during the term of this Agreement to reflect prevailing market conditions.

(E) Fee Revisions - Electric Company*

The Annual Attachment Fee(s) set forth in (A) 2 and the Unauthorized Attachment Fee(s) set forth in (A) 3 payable to Unitil Energy Systems, Inc. - Capital Distribution Operations Center shall be computed in accordance with the formulas attached hereto as Exhibit A and Exhibit B, respectively. The fees will be calculated annually, based on data for the preceding calendar year.

*The new rates on this Thirteenth Revised Appendix I become effective January 1, 2004, and amends the Twelfth Revised Appendix I of the License Agreement.

UNITIL ENERGY SYSTEMS, INC.
Capital Distribution Operations Center



STATE OF NEW HAMPSHIRE
DEPT. OF EMPLOYMENT SECURITY



UNITIL ENERGY SYSTEMS, INC. - CAPITAL DISTRIBUTION OPERATIONS CENTER
CALCULATION OF ANNUAL POLE RENTAL FEES
FOR LICENSEE ATTACHMENTS

1. Net Investment in Bare Poles. Net investment in bare poles for solely and jointly owned poles may be expressed as gross pole investment minus depreciation reserve minus accumulated deferred income taxes. Gross pole investment is the appropriate portion of A/C 364 represented by poles, anchors, stubs, and pushbraces based on the Company's Pole Accountability Reporting (A/C 364). The percentage of gross pole investment to the total of A/C 364 has been allocated to the depreciation reserve for A/C 364. The percentage of gross pole investment less depreciation reserve to gross plant investment less depreciation reserve has been allocated to the total accumulated deferred income tax.

Gross Pole - Depreciation Reserve - Accumulated Deferred = Net Investment in Bare Pole
Investment Income Taxes

Sole Investment: \$2,056,813 - \$733,100 - \$243,317 = \$1,080,396

Joint Investment: \$3,861,424 - \$1,376,309 - \$456,798 = \$2,028,316

2. Net Investment Per Bare Pole. Net investment per bare pole for solely and jointly owned poles may be expressed as the quotient of net investment in bare poles divided by the number of poles.

Net Investment in Bare Poles = Net Investment Per Bare Pole
Number of Poles

Sole Investment: $\frac{\$1,080,396}{2,751} = \392.73

Joint Investment: $\frac{\$2,028,316}{19,846} = \102.20

3. Carrying Charge. The carrying charge consists of maintenance expense, depreciation, administrative expense, property taxes, cost of capital, and federal income taxes.

a. Maintenance Expense. Maintenance expense for poles may be expressed as a percentage of net investment by dividing the sum of overhead lines (A/C 593) and overhead lines expense (A/C 583) by the net investment in pole (A/C 364), in overhead conductors (A/C 365), and in services (A/C 369). Net pole investment is gross pole investment less depreciation reserve less accumulated deferred income taxes. Net conductor and services investment is gross investment in conductors and services less depreciation less accumulated deferred income taxes. The percentage of gross investment in Accounts 364, 365, 369 less depreciation to gross plant investment less depreciation reserve has been allocated to total accumulated deferred income tax.

$$\frac{\$4,028,092}{(\$60,411,513 - \$19,879,601 - \$7,450,325)} = 12.18\%$$

d. Property Taxes. Property Tax expense may be expressed as a percentage of net plant by dividing taxes other than income (A/C 408) by net plant investment.

$$\frac{\text{Taxes Other Than Income}}{(\text{Gross Plant} - \text{Depreciation} - \text{Accumulated Deferred})} = \text{Taxes (expressed as a percentage of net investment)}$$
$$\frac{(\text{Investment Reserve Income Taxes})}{}$$

$$\frac{\$1,284,270}{(\$60,411,513 - \$19,879,601 - \$7,450,325)} = 3.88\%$$

e. Cost of Capital. Cost of Capital (return on equity and interest on debt) shall be the most recent authorized rate of return.
8.59%

f. Income Taxes. The income tax rate may be expressed as the product of return on equity and the ratio of the federal income tax rate to one minus the federal income tax rate. The return on equity shall be the most recent authorized rate.

$$\text{Return on Equity} * \frac{\text{Federal Income Tax Rate}}{(1 - \text{Federal Income Tax Rate})}$$

$$4.19\% * \frac{.34}{(1 - .34)} = 2.16\%$$

g. Total Carrying Charge. Adding the various percentage components, the appropriate carrying charge is:

Maintenance Expense	6.29%
Depreciation	8.40%
Administrative Expense	12.18%
Property Taxes	3.88%
Cost of Capital	8.59%
Federal Income Taxes	<u>2.16%</u>
TOTAL CARRYING CHARGE	41.49%

4. Use Ratio. The use ratio may be expressed as the quotient of the space occupied per pole by cable and the average usable space per pole. The average usable space per pole of 11.72 feet was determined in Continental Cablevision of New Hampshire, Inc. v. Unitil Energy Systems, Inc. - Capital Distribution Operations Center, Mimeo No. 5536 (released July 3, 1985). (Exhibit A-1)

$$\frac{\text{Space Per Pole Occupied by CATV}}{\text{Average Usable Space Per Pole}} = \text{Use Ratio}$$

$$\frac{1 \text{ Foot}}{11.72 \text{ Feet}} = 8.53\%$$

5. Calculated Rate per Sole Owned Pole. The calculated rate is the product of net investment per bare pole times carrying charge times use ratio.

Net Investment Per Bare Pole
x Carrying Charge
x Use Ratio
= Calculated Rate

\$392.73
x 41.49%
x 8.53%
= \$13.90

6. Calculated Rate Per Joint Owned Pole. The calculated rate is the product of net investment per bare pole times carrying charge times use ratio.

Net Investment Per Bare Pole
x Carrying Charge
x Use Ratio
= Calculated Rate

\$102.20
x 41.49%
x 8.53%
= \$3.62

**UNITIL ENERGY SYSTEMS, INC. - CAPITAL DISTRIBUTION OPERATIONS CENTER
CALCULATION OF AVERAGE USABLE SPACE
PER POLE**

The average usable space is calculated by multiplying the number of poles of a given height (actual survey count) by the usable space per pole and dividing the total footage by the total number of poles, as follows:

<u>Pole Height</u>	<u>Number of Poles</u>		<u>Usable Space Per Pole</u>		<u>Total Usable Space</u>
25 Feet	28	X	4 Feet	=	112
30 "	728	X	6 "	=	4,368
35 "	3,682	X	11 "	=	40,502
40 "	1,449	X	16 "	=	23,184
45 "	144	X	16 "	=	2,304
50 "	14	X	16 "	=	224
55 "	6	X	21 "	=	126
60 "	4	X	26 "	=	104
65 "	<u>2</u>	X	31 "	=	<u>62</u>
Totals	6,057 Poles				70,986 Feet

Average Usable space per pole = $\frac{\text{total usable space}}{\text{total number of poles with attachments}}$

Average Usable space per pole = $\frac{70,986}{6,057}$ = 11.72 feet

**UNITIL ENERGY SYSTEMS, INC. - CAPITAL DISTRIBUTION OPERATIONS CENTER
PROCEDURE FOR CALCULATION OF
UNAUTHORIZED ATTACHMENT FEES**

Calculation of the Unauthorized Attachment Fee:

The unauthorized attachment per pole fee to be paid to Unitil Energy Systems, Inc. - Capital Distribution Operations Center by the Licensee for unauthorized attachment to Unitil Energy Systems, Inc. - Capital Distribution Operations Center's pole plant will be calculated for the two categories of pole ownership; sole and joint. The fees will be calculated annually, based on data of the preceding calendar year. The fees are the product of (a) times (b) plus (c) where (a) equals the annual rental fee for the appropriate pole ownership category, (b) equals a three year rental compound factor and (c) equals an inspection and administration fee. The three year rental compound factor shall be determined by the following formula:

$$b = (1+d) + (1+d)^2 + (1+d)^3$$

wherein (d) equals the fixed charge Rate of Return herein.

The inspection and administration fee (c) shall be 50% of the product of (a) times (b).

Computations of the Unauthorized Attachment Fees in implementation of this Exhibit are shown on Exhibit B-1 attached hereto.

**UNITIL ENERGY SYSTEMS, INC. - CAPITAL DISTRIBUTION OPERATIONS CENTER
CALCULATION OF PER POLE
UNAUTHORIZED ATTACHMENT FEES**

Sole Owned Pole

$$(a) \text{ Annual Rate of Return Compound Factor} = \$13.90$$

$$(b) (1 + d) + (1 + d)^2 + (1 + d)^3 = \underline{3.55}$$

$$(a) \times (b) = \$49.35$$

Plus

$$(c) .50 (a \times b) = \underline{\$24.68}$$

$$\begin{array}{l} \text{Sole Owned Pole Unauthorized} \\ \text{Attachment Fee} \end{array} = \$74.03$$

Joint Owned Pole

$$(a') \text{ Annual Rental Fee} = \$3.62$$

$$\begin{array}{l} \text{Rate of Return Compound Factor} \\ (b') (1 + d) + (1 + d)^2 + (1 + d)^3 \end{array} = \underline{3.55}$$

$$(a') \times (b') = \$12.85$$

Plus

$$(c') .50 (a' \times b') = \underline{\$6.43}$$

$$\begin{array}{l} \text{Joint Owned Pole Unauthorized} \\ \text{Attachment Fee} \end{array} = \$19.28$$

APPENDIX II

MULTIPLE POLE ATTACHMENT LICENSE APPLICATIONS

Procedure for Processing
Multiple Pole Attachment License Applications

The following procedure shall be adhered to in processing applications to attach to Licensor's poles by multiple licensees.

A. DEFINITIONS

Simultaneous license applications

Properly completed pole license applications relative to the same pole which are received by the Licensor from multiple applicants on the same business day.

Non-Simultaneous license applications

Properly completed pole license applications relative to the same pole which are received by the Licensor from multiple applicants on different business days.

Initial applicant

The applicant filing the first properly completed license application (non-simultaneous) for attachment to a specific pole.

Additional applicant

Each applicant filing a properly completed license application (non-simultaneous) for attachment to a specific pole for which a prior license application has been received by the Licensor.

Make-Ready Work

The work required (including rearrangement and transfer of existing facilities on a pole, replacement of poles or any other changes) to accommodate the Licensee's attachments on Licensor's pole.

Option 1

An arrangement whereby Licensor will process the license application of initial applicant as if there is no other license application on file for the same pole.

Option 2

An arrangement whereby Licensor will process license applications of initial and additional applicant in accordance with the procedure applicable for simultaneous multiple license applications.

B. MULTIPLE LICENSE APPLICATION PROCESSING

Both simultaneous and non-simultaneous multiple license applications for the same pole will be processed by the Licensor in accordance with the procedures set forth in the flow chart which comprises pages 5 to 7 inclusive, of this Appendix.

C. OPTION ARRANGEMENTS

1. Upon being offered Options 1 and 2, the initial applicant will be advised that he may make an immediate selection of the option he desires or he may delay his selection until the required make-ready survey work has been completed and the estimate of make-ready charges quoted by the Licensor. Where the initial applicant elects to delay his decision, he shall be required to indicate the option he desires within 15 days after the Licensor has quoted the estimate of the make-ready charges that will apply, otherwise, the Licensor will deem the initial applicant to have selected Option 1.
2. The license application processing procedure to be adhered to in accordance with Option 2 will be subject to acceptance by all of the multiple applicants involved. The additional applicant(s) will have 15 days from the date he is advised by the Licensor that the initial applicant has selected Option 2 to accept or reject the conditions applicable under Option 2, otherwise, the Licensor will deem the additional applicant(s) to have rejected such conditions.
3. All work in progress on the initial applicant's license application involving multiple pole attachments will be suspended by the Licensor from the time that the initial applicant is offered Options 1 and 2 until he notifies the Licensor of the option he elects in accordance with C.1. above.

D. MAKE-READY SURVEY REQUIREMENT

1. Where required make-ready survey is to be completed on two bases, the multiple applicants shall be so advised before such survey is commenced.
2. The make-ready survey required to develop the estimated charges applicable for Options 1 and 2 will include a determination of the work requirements necessary to:
 - a. issue licenses simultaneously to the multiple applicants and,
 - b. issue licenses to the initial applicant before commencing the required make-ready work necessary to accommodate the additional applicant(s).

3. Licensors will consider any license application involving simultaneous multiple attachments as cancelled upon the failure of an applicant to notify the Licensors in writing of his acceptance of the estimate of make-ready charges and accompany such acceptance with the advance payment within 15 days following his receipt of such estimate from the Licensors.
4. Licensors or his authorized representative will perform the make-ready survey in all situations involving simultaneous license applications.
5. Where an initial applicant has been authorized by Licensors to perform its own make-ready survey, and properly completed pole applications are received from an additional applicant(s), establishing a non-simultaneous license application situation, the conditions of Option 1 will automatically apply and the option arrangements, detailed in Section C of this Appendix, will not be applicable.

E. MAKE-READY WORK SCHEDULE

Any simultaneous multiple applicant who cannot agree with the alternative arrangement that provides for the Licensors to complete ALL make-ready work before simultaneously granting licenses to all multiple applicants will be deemed by the Licensors to have cancelled his application.

F. CHANGES IN APPENDIX

This Appendix may be changed in whole or in part at any time during the term of this Agreement at the sole option of the Licensors upon the giving of not less than 30 days written notice thereof to the Licensee(s) and to substitute in place thereof such other provisions as the Licensors may deem necessary as relative to multiple attachments to poles of the Licensors.

PROCEDURE FOR PROCESSING
MULTIPLE POLE ATTACHMENT LICENSE APPLICATIONS

<p><u>WHERE NO MAKE-READY SURVEY EXPENSE HAS BEEN INCURRED BY LICENSOR</u></p>	<p><u>MAKE-READY SURVEY REQUIREMENT</u></p> <p>TO BE DONE ON TWO BASES TO DETERMINE ACCOMMODATION REQUIREMENTS FOR:</p> <ol style="list-style-type: none"> 1. attachment by single licensee 2. attachment by multiple licensee 	<p><u>MAKE-READY SURVEY COST ALLOCATION</u></p> <p>TOTAL COST TO BE SHARED EQUALLY BY MULTIPLE APPLICANTS.</p>	<p><u>MAKE-READY WORK SCHEDULE</u></p> <p>MULTIPLE APPLICANTS MUST DEVELOP MUTUALLY AGREEABLE:</p> <ol style="list-style-type: none"> 1. order of pole availability and 2. overall completion schedule <p>-WHERE MULTIPLE APPLICANTS CAN- NOT AGREE WITHIN 15 DAYS FROM RECEIPT OF ESTIMATE FROM LICENSOR, LICENSOR WILL OFFER AS AN ALTERNATIVE, TO COMPLETE ALL MAKE-READY WORK INVOLVED BEFORE SIMULTANEOUSLY GRANTING LICENSES TO MULTIPLE APPLICANTS.</p>	<p><u>MAKE-READY COST ALLOCATIONS</u></p> <p>TOTAL COST SHARED EQUALLY BY MULTIPLE APPLICANTS.</p> <p>- IF ONLY ONE APPLICANT AGREES TO ESTIMATED SHARED PORTION OF TOTAL COST, THAT APPLI- CANT WILL BE QUOTED THE COST APPLICABLE TO ACCORDO- DATE A SINGLE LICENSEE (SEE 1. UNDER MAKE-READY SURVEY REQUIREMENT)</p>	<p><u>SIMULTANEOUS APPLICA- TIONS</u></p>
<p><u>NON-SIMULTANEOUS APPLICATIONS</u></p> <p>IF ONLY ONE APPLICANT AVAILABLE INITIAL LICENSURE</p> <p>OPTION 1 LICENSOR WILL PROCESS AS NO MULTIPLE LICENSE APPLICATION EXIST.)</p> <p>OPTION 2 LICENSOR WILL PROCESS SIMULTANEOUS LICENSE APPLICATIONS.)</p>	<p>TO BE DONE ON TWO BASES TO DETERMINE ACCOMMODA- TION REQUIREMENTS FOR:</p> <ol style="list-style-type: none"> 1. attachment by single licensee 2. attachment by multiple licensee <p>(a) simultaneously</p> <p>(b) non-simultaneously</p>	<p>TOTAL COST TO BE SHARED EQUALLY BY MULTIPLE APPLICANTS</p>	<p><u>INITIAL APPLICANT</u></p> <p>LICENSOR WILL TREAT AS A NON- MULTIPLE APPLICANT.</p> <p>- ANY CHANGE OF PRIORITY OF POLE AVAILABILITY OR OVERALL COMPLETION SCHEDULE THAT IS DESIRED AFTER EITHER HAS BEEN INITIALLY AGREED UPON WITH THE LICENSOR IS SUBJECT TO LICENSOR'S ABILITY TO ACCORDO- DATE IN ITS ESTABLISHED WORK SCHEDULE.</p> <p><u>ADDITIONAL APPLICANT</u> REQUIRED MAKE-READY WORK WILL NOT BE PERFORMED UNTIL LICENSES HAVE BEEN GRANTED TO INITIAL APPLICANT UNLESS THE PERFORMANCE OF SUCH WORK WILL NOT DELAY THE COMPLETION OF THE MAKE-READY WORK REQUIRED TO ACCOM-</p>	<p><u>INITIAL APPLICANT</u></p> <p>IS CHARGED THE COST ATTRIBU- TABLE TO THE WORK INVOLVED TO ACCORDATE ATTACHMENT BY ONE LICENSEE.</p> <p><u>ADDITIONAL APPLICANT</u> IS CHARGED THE COST ATTRIBU- TABLE TO THE WORK INVOLVED TO ACCORDATE ATTACHMENT BY AN ADDITIONAL LICENSEE ON A POLE ALREADY ATTACHED BY INITIAL LICENSEE.</p>	<p><u>NON-SIMULTANEOUS APPLICATIONS</u></p> <p>IF ONLY ONE APPLICANT AVAILABLE INITIAL LICENSURE</p> <p>OPTION 1 LICENSOR WILL PROCESS AS NO MULTIPLE LICENSE APPLICATION EXIST.)</p> <p>OPTION 2 LICENSOR WILL PROCESS SIMULTANEOUS LICENSE APPLICATIONS.)</p>

PROCEDURE FOR PROCESSING

MULTIPLE POLE ATTACHMENT LICENSE APPLICATIONS

IF PARTIAL MAKE-READY SURVEY
COST HAS BEEN INCURRED BY
APPLICANT

IF AVAILABLE TO INITIAL
APPLICANT

OPTION 1
IF WILL PROCESS AS IF
SINGLE LICENSE APPLICATION
(EXIST)

OPTION 2
IF WILL PROCESS
"MULTIPLE" LICENSE
APPLICATIONS.

MAKE-READY SURVEY TO
REQUIREMENT

BALANCE OF REQUIRED SURVEY
TO BE COMPLETED ON TWO BASES
DETERMINE ACCORDATION RE-
QUIREMENTS FOR:

1. attachment by single
licensee
2. attachment by multiple
licensees
(a) Simultaneously
(b) non-simultaneously

PORTION OF SURVEY ALREADY
COMPLETED FOR INITIAL APPLI-
CANT WILL BE RESURVEYED TO
DETERMINE THE REQUIREMENTS
TO ACCORDATE AN ADDITIONAL
LICENSEE.

MAKE-READY SURVEY
COST ALLOCATION

INITIAL APPLICANT

WILL BE CHARGED THE COST IN-
CURRED FOR THAT PORTION OF
THE SURVEY WHICH HAS ALREADY
BEEN COMPLETED.

ADDITIONAL APPLICANT

WILL BE CHARGED THE COST IN-
CURRED TO RESURVEY THE COM-
PLETED PORTION OF THE SURVEY
TO DETERMINE THE REQUIREMENTS
TO ACCORDATE ATTACHMENT BY
MULTIPLE LICENSEES.

TOTAL COST OF THE BALANCE OF
THE REQUIRED SURVEY WILL BE
SHARED EQUALLY BY THE MULTIPLE
APPLICANTS.

MAKE READY WORK SCHEDULE

SAME AS I.B.

SAME AS I.A.

MAKE-READY COST ALLOCATIONS

SAME AS I.B.

SAME AS I.A.

PROCEDURE FOR PROCESSING
MULTIPLE JOLE ATTACHMENT LICENSE APPLICATIONS

WHERE MAKE-READY SURVEY IS COMPLETE BUT MAKE-READY WORK HAS NOT PHYSICALLY COMMENCED.	<u>MAKE-READY SURVEY REQUIREMENT</u>	<u>MAKE-READY SURVEY COST ALLOCATION</u>	<u>MAKE-READY WORK SCHEDULE</u>	<u>MAKE-READY COST ALLOCATIONS</u>
OPTIONS AVAILABLE TO INITIAL APPLICANT	↑	↑	SAME AS I.B.	SAME AS I.B.
<u>OPTION 1</u> (LICENSOR WILL PROCESS AS IF NO MULTIPLE LICENSE APPLICATIONS EXIST)	RESURVEY REQUIRED TO DETERMINE ACCOMMODATION REQUIREMENTS FOR ATTACHMENT BY MULTIPLE LICENSEES:	INITIAL APPLICANT WILL BE CHARGED THE COST OF THE SURVEY WHICH HAS ALREADY BEEN COMPLETED.		
<u>OPTION 2</u> (LICENSOR WILL PROCESS AS "SIMULTANEOUS" MULTIPLE LICENSE APPLICATIONS)	1. SIMULTANEOUSLY 2. NON-SIMULTANEOUSLY	<u>ADDITIONAL APPLICANT</u> WILL BE CHARGED THE COST TO RESURVEY TO DETERMINE THE RE- QUIREMENTS FOR ACCOMMODATING MULTIPLE LICENSEES.	SAME AS I.A.	SAME AS I.A.

APPENDIX III
ADMINISTRATIVE FORMS AND NOTICES

Index of Administrative Forms

Application and Pole Attachment License	A-1
Pole Details	A-2
Authorization for Field Survey Work	B-1
Authorization for Pole Make-Ready Work	B-2
Itemized Estimate of Pole Make-Ready Work and Charges	C
Notification of Surrender or Modification of Pole Attachment License by Licensee	D
Certificate of Insurance	E
Bond	F
Identification Tags	G

EXPLANATION OF THE USE OF APPENDIX III
ADMINISTRATIVE FORMS

1. At the time any Licensee anticipates a request for a new license, it should (pursuant to Article VII) submit to each Licensors: Form A-1 (Application and Pole Attachment License) and Form A-2 (Pole Details).
2. Each Licensors shall fill out Part I of Form B-1 (Authorization for Field Survey Work). If Licensee agrees to the field survey estimate, it will fill out, execute and return the form to the Licensors with the appropriate fee.
3. Each Licensors shall fill out Form B-2 (Authorization for Pole Make Ready Work) when appropriate. If Licensee agrees to the make ready changes, it will execute and return to the Licensors with the appropriate fee. (See Article VIII, para. D.)
4. Form C is used only by New England Telephone to more fully explain the estimated charges. When requested by the Licensee, this breakdown of charges may be sent to it by New England Telephone.
5. After the completion of the Make Ready Work, the Licensors shall complete Form A-1 with a license number, date and signature. Licensee's receipt of this executed A-1 is its authorization to make the attachments described in the application.
6. Any time a Licensee discontinues the use of a pole or poles upon which it has a license, it shall submit Form D (Notification of Discontinuance of the Use of Poles) to each Licensors.
7. Form F (Bond) will be submitted by the Licensee to the appropriate Licensors from time to time as specified in Article III, para. C.
8. Form E (Certificate of Insurance) will be submitted by Licensee prior to the execution of the License Agreement.

APPLICATION AND POLE ATTACHMENT LICENSE

STATE OF NEW HAMPSHIRE DEPARTMENT OF EMPLOYMENT SECURITY
Licensee

Street Address _____

City and State _____

Date _____

In accordance with the terms and conditions of the License Agreement between us, dated May 17, 1991, application is hereby made for a license to make attachments to _____ JO poles _____ FO poles _____ JU poles and _____ Power Supplies located in the municipality of _____, as indicated on Form A-2. This request will be designated Pole Attachment License Application Number _____.

(Name of Licensee)

By _____

Title _____

Tel. No. _____

Pole Attachment License Number _____ is hereby granted to make the attachments described in this application to _____ JO poles _____ FO poles _____ JU poles and _____ Power Supplies located in the municipality of _____ as indicated on the attached form A-2.

(Licensor's Name)

By _____

Title _____

Date _____

Tel. No. _____

Applications shall be submitted in duplicate; one for New England Telephone and one for the Electric Light Company.

Individual applications to be numbered in sequential ascending order by Licensee for each License Agreement. Licensor will process applications in sequential ascending order according to the application numbers assigned by the Licensee.

POLE DETAILS

STATE OF NEW HAMPSHIRE
DEPARTMENT OF EMPLOYMENT SECURITY License Application Number _____
Licensee _____

⁴ _____
Power Company Involved

⁴ _____
Telephone Company involved

Poles located in Municipality (Locale-if appropriate), County
(Note: Provide separate sheets for each municipality)

<u>Pole No.</u>	<u>Location</u> ¹	<u>Attach.</u> ²	<u>Tax</u>	<u>Lic.</u>	<u>Lic.</u>
			<u>Dist.</u>	<u>No.</u>	<u>Date</u>

LICENSEE HEREBY REQUESTS LICENSOR TO
PROVIDE AN ITEMIZED ESTIMATE OF POLE MAKE
READY WORK REQUIRED AND ASSOCIATED CHARGES
(APPENDIX III FORM C).

Title _____

¹Indicate location by providing name of street, highway, route, etc., e.g., South Street, North of (N/O) Jones Road. Private Property Poles should be identified as such e.g., P.P. (Lead off pole 1234 South Street).

²A complete description of all facilities shall be given including quantities, sizes and types of all cables and equipment.

³Completed by Licensor.

⁴Completed by Licensee.

AUTHORIZATION FOR FIELD SURVEY WORK

STATE OF NEW HAMPSHIRE DEPARTMENT OF EMPLOYMENT SECURITY
(Licensee)

In accordance with Article IV, Paragraph (A) (1) of the License Agreement, following is a summary of the estimated charges which will apply to complete a field survey covering Pole Attachment License Application Number_____.

	<u>Hours</u>	<u>Rate/Hour</u>	<u>Total</u>
Field Survey	_____	_____	\$ _____
Administrative Compensation	_____ %		
TOTAL			\$ _____

If you wish us to complete the required field survey, please sign this copy below and return with an advance payment in the amount of \$

(Licensor)

By _____

Title _____

Address _____

Tel. No. _____

Date _____

The required field survey covering License Application No. _____ is authorized and the costs therefore will be paid to Licensor in accordance with Appendix I to License Agreement.

(Licensee)

By _____

Date _____ Tel. No. _____

AUTHORIZATION FOR POLE MAKE READY WORK

STATE OF NEW HAMPSHIRE DEPARTMENT OF EMPLOYMENT SECURITY
Licensee _____

Field survey work associated with your License Application
No. _____ dated, _____ 19____, for attachment to poles
has been completed.

Following is a summary of the estimated make ready charges
which will apply.

	<u>Hours</u>	<u>Rate/Hour</u>	<u>Total</u>
<u>Make-Ready Work</u>			
Labor	_____	_____	\$ _____
Material	<u>XXX</u>	<u>XXX</u>	_____
Sub Total			_____
Administrative Compensation _____%			_____
Total			\$ _____

Attached, as requested, is an itemized estimate (Form C) of
required pole make-ready work and associated charges.

If you wish us to complete the required make-ready work,
please sign this copy below and return with an advance payment in
the amount of \$ _____

Licensor

By _____

Title _____

Address _____

Tel. No. _____

Date _____

The replacements and rearrangements included in
License Application No. _____ are authorized
and the costs therefore will be paid to Licensor
in accordance with Appendix I to License Agreement.

Licensee
By _____
Title _____

Tel. No. _____
Date _____

EXPLANATION OF COLUMN

- (1) Designate pole number assigned by company
 T - Telephone E - Electric
 (Circle Company that will be Licensor)
- (2) Name of Street, Road, Highway, Route, etcetera.
- (3) Work Operation Description, e.g., Lwr 2 Ca 1'
 Lwr Top Ca 1'
 Lwr Ca & Term 18"
 Rpl Pole
 Rse Rack 2'
 Plc A & G
 Lwr Fire Alm 1'
 Rse Trnsf 1'
- (4) Indicate Company to perform work operation, e.g., T - Telephone
 E - Electric
 C - CATV
 F - Fire
 T/C - Option - Either Telephone or CATV
 P - Police
 M - Municipality
 O - Other Licensee
- (5) List Non-exempt Material Only
- (6) Indicate labor hours and costs required to perform work operations listed in (3).

NOTIFICATION OF DISCONTINUANCE OF USE OF POLES

STATE OF NEW HAMPSHIRE DEPARTMENT OF EMPLOYMENT SECURITY
Licensee

Street Address _____

City and State _____

Date _____

In accordance with the terms of Agreement dated May 17 1991,
notice is hereby given that attachments to the following poles in the
municipality of _____ covered by permit number _____ were
removed on _____ 19____.

<u>Street</u> <u>Name</u>	<u>Pole</u> <u>Number</u>	(If Pole No. is not available <u>Street Number</u>)
------------------------------	------------------------------	--

Total number of JO poles to be discontinued _____ total number of FO poles to
be discontinued _____ total number of JU poles to be discontinued _____ and
total number of Power Supplies to be discontinued.

Said permit is to be cancelled in its entirety/partially as above.
(circle one)

By _____

Title _____
(Licensee)

Use of poles has been discontinued as above.

Licensor's Name

By _____

Title _____

Date _____

Tel. No. _____

Notification shall be submitted in duplicate; one for New England Telephone
and one for the Electric Light Company.

CERTIFICATE OF INSURANCE

This is to certify that the _____ of
Insurance Company

_____ has issued policies of insurance, in amounts not less than that described below and identified by a policy number, to the insured named below; and that such policies name the Licensors referred to below as additional insured under the Public Liability Policy; and as additional insured under the Umbrella Excess Liability Policy listed below; and to certify that such policies are in full force and effect at this time. It is agreed that none of these policies will be cancelled or changed so as to affect this certificate until thirty (30) days after written notice of such cancellation or change has been delivered to New England Telephone and Telegraph Company at 245 State St., Rm. 308, Boston, MA 02109 and Concord Electric Company at P.O. Box 1338 Concord, New Hampshire (Licensors)

1. Insured STATE OF NEW HAMPSHIRE, DEPARTMENT OF EMPLOYMENT SECURITY (Licensee)
2. Address 32 SOUTH MAIN STREET, CONCORD, NEW HAMPSHIRE 03301
3. Status of Insured: Corporation Partnership Individual
4. Location of Work Operations of Insured State of: NEW HAMPSHIRE
5. Description of Work Operations Pole Attachments and/or Conduit Occupancy

INSURANCE POLICIES IN FORCE

Form of Coverage	Policy Number	Policy Period
Workmen's Compensation		From To
General Liability (Bodily Injury and Property Damage)		From To
Umbrella Excess Liability (Bodily Injury and Property Damage)		From To
Automobile Liability (Bodily Injury and Property Damage)		From To

LIMITS OF LIABILITY

Form of Coverage	Bodily Injury	Property Damage
	Statutory	XXXXXX
Workmen's Compensation	\$	\$
General Liability	Each Occurrence \$3,000,000 Aggregate \$3,000,000	Each Occurrence \$1,000,000 Aggregate \$1,000,000
Umbrella Excess Liability	Each Occurrence \$ Aggregate \$	Each Occurrence \$ Aggregate \$
Automobile Liability (BI&PD)	Each Occurrence \$	

Date _____

Insurance Company

(NAME OF INSURANCE COMPANY)

BOND

Bond No.

KNOW ALL MEN BY THESE PRESENTS, THAT
a corporation of the _____, located at
(hereinafter called the Principal),
as the Principal and the _____, a
corporation organized under the laws of _____
and authorized to do business in the State of _____
and having its office at _____ (hereinafter
called the Surety), as Surety, are held firmly bound unto the
_____ Corporation, and NEW ENGLAND
TELEPHONE AND TELEGRAPH COMPANY, New York corporation, hereinafter referred to
as Obligees, in the full and just sum of _____
to the payment of which sum well and truly to be made, the Principal and
Surety bind themselves, and each of their successors and assigns, jointly and
severally, firmly by these presents.

WHEREAS, the Principal has entered into a written Agreement wherein the
Obligees have granted permission to the Principal to make attachment of Cables
together with the necessary Appurtenant Facilities including attachments for
service wires leading from poles to Principal's customers, to certain poles of
the Obligees, located in the City/Town
of _____.

WHEREAS, THE OBLIGEEES are willing to permit such attachments to be made
subject to the terms and conditions of the aforesaid Agreement and providing a
bond is given by the Principal covering the true and faithful performance of
said Agreement, which Agreement is or may be attached hereto for reference.

NOW THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the Principal
shall well and truly perform and carry out the covenants, terms and conditions
of said agreement, then this obligation shall be void; otherwise it shall
remain in full force and effect.

The surety may cancel and terminate this Bond by giving thirty (30) days
written notice thereof by Registered Mail to the Obligees, in which event the
cancellation and termination shall be effected thirty (30) days after said
obligees received such notice, but notwithstanding said cancellation or said
expiration date, this bond shall remain in full force and effect as to
attachments authorized under said agreement prior to the effective date of
cancellation or expiration date until all of said attachments shall have been
removed and as to any other obligations or responsibilities accrued prior to
said cancellation date or said expiration date.

SIGNED, SEALED AND DATED this

day of _____, 19

(PRINCIPAL)

By _____

ATTEST:

(SURETY)

IDENTIFICATION TAGS

1. GENERAL

This Appendix provides a method for Licensee to follow in attaching identification tags to cables and other apparatus so that ownership of such cable and apparatus can be readily determined.

2. DESCRIPTION OF TAGS

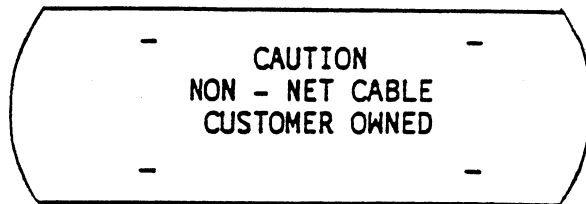


Figure I
Identification Cable Tags.



Figure II
Identification Apparatus Tags

The Identification Cable Tags, shown in Figure I are made of polyethylene and polyvinyl chloride and have ultraviolet inhibitors. The tags will be yellow with black lettering. The respective sizes are 1 3/4" x 4" and 1 1/4" x 3".

The cable tag will be used on cables, and will read as follows: "CAUTION: NON-NET CABLE. CUSTOMER OWNED." There will be a section at the bottom of the tag to place the owner's name, using indelible ink.

The apparatus tags will be placed on Licensee's Plant, other than cables, including, but not limited to, guys, terminals, and terminal closures. The Identification Apparatus tag will read as follows: "CAUTION: NON-NET APPARATUS. CUSTOMER OWNED." This tag will also have a place at the bottom on the tag to write the owner's name using indelible ink.

3. PROCUREMENT OF TAGS

It is the responsibility of the Licensee to obtain, place and maintain Identification tags.

4. INSTALLATION OF CABLE TAGS - AERIAL APPLICATION

The cable tag shall be placed on the bottom of the cable at the pole either under the suspension clamp or just between the suspension clamp and cable spacer. Such placement will make it visible from the ground that the cable is not owned by the Telephone Company. An E-Z twist cable tie shall be used to attach the cable tag.

At anchor and guy locations, the apparatus tag shall be placed between the device used to secure the strand (i.e., strandwise, guy, grips or clamps) and the eye of the rod. If a guy shield is in place, the apparatus tag can be attached at the top of the guy shield on the strand.

At terminal locations, the Identification tag shall be placed around the neck of the terminal, on the stub. An E-Z twist tie shall be used to attach this tag.

An Identification tag shall be placed on each cable at each pole that is on a separate suspension strand, if the lead is ten poles or less. If the lead is more than ten poles, it is permissible to place a tag on every fourth pole.

NON-DISCRIMINATION COMPLIANCE AGREEMENT

extent that this contract is subject to them, contractor shall comply with the applicable provisions of the following: Exec. Order No. 11246, Exec. Order No. 11625, Exec. Order No. 12138, Order No. 11701, Exec. Order No. 11758, Section 503 of the Rehabilitation Act of 1973 as amended by PL93-516, Vietnam Era Veteran's Readjustment Assistance Act of 1974 and the regulations and relevant Orders of the Secretary of Labor pertaining to the Executive and Statutes listed above.

any amounts or contractual or purchasing relationships, together with the number of the contractors employees, determine which Executive Order provisions are applicable. For its valued at less than \$2,500, none of the clauses shall be considered a part of this contract. However, for contracts of or which aggregate to 2,500 or more annually, the following describes the clauses which are included in the contract.

inclusion of the "Equal Employment Opportunity" clause in all contracts and orders.

Certification of non-segregated facilities.

Certification that an Affirmative Action program has been developed and is being followed.

Certification that an annual Employers Information Report (EEO 1 Standard Form 100) is being filed.

inclusion of the "Utilization of Minority And Women's Business Enterprises" clause in all contracts and orders.

inclusion of the "Minority and Women's Business Contracting Program" clause in all contracts and orders.

inclusion of the "Listing of Employment Openings" clause in all contracts and orders.

inclusion of the "Employment of the Handicapped" clause in all contracts and orders.

\$2,500 to \$5,000	\$5,000 to \$10,000	\$10,000 to \$50,000
8	8	1, 2, 5, 6, 7, 8

\$50,000 to \$500,000	\$500,000 or more
1, 2, 3*, 4*, 5, 6, 7, 8	1, 2, 3*, 4*, 5, 6, 7, 8

* Applies only for businesses with 50 or more employees.

al Employment Opportunity Provisions

accordance with Executive Order 11246, dated September 24, 1965 and Part 60-1 of Title 41 of the codes of Federal Regulations (Public Contracts and Property Management, Office of Equal Contract Compliance, Obligations of Contractors and Subcontractors), as may be amended from time to time, the parties incorporate herein by this reference the regulations contract clauses required by those provisions to be made a part of Government contracts and subcontracts.

ification of Non-segregated Facilities

contractor certifies that it does not and will not maintain any facilities it provides for its employees in a segregated manner, or permit its employees to perform their services at any location under its control, where segregated facilities are maintained, and that it will obtain similar certification, prior to the award of any nonexempt subcontract.

ification of Affirmative Action Program

contractor affirms that it has developed and is maintaining an Affirmative Action Plan required by Part 60-2 of Title 41 of the codes of Federal Regulation.

ification of Filing Employers Information Reports

contractor agrees to file annually on or before the 31st day of March complete and accurate reports on Standard Form 100 (EEO-1) or such forms as may be promulgated in its place.

ization of Minority and Women's Business Enterprises

It is the policy of the Government that minority and women's business enterprises shall have the maximum practicable opportunity to participate in the performance of the contract.

(b) The contractor agrees to use his best effort to carry out this policy in the award of his subcontracts to the fullest extent consistent with the efficient performance of this contract. As used in this contract the term "minority or women's business enterprise" means a business, at least 50 percent of which is owned, controlled and operated by minority group members or women, or in the case of publicly owned businesses, at least 51 percent of the stock which is owned by minorities or women. For the purposes of this definition, minority group members are American: Blacks, Hispanics, Asians, Pacific Islanders, American Indians and Alaskan Natives. Contractors may rely on written representations by subcontractors regarding their status as minority or women's business enterprises in lieu of an independent investigation.

6. Minority and Women's Business Enterprises Subcontracting Program

(a) The contractor agrees to establish and conduct a program which will enable minority and women's business enterprises (as defined in paragraph 5) to be considered fairly as subcontractors and suppliers under the contract. In this connection, the Contractor shall:

- (1) Designate a liaison officer who will administer the contractor's minority and women's business enterprises programs
- (2) Provide adequate and timely consideration of the potentialities of known minority and women's business enterprises in all "make or buy" decisions
- (3) Assure that known minority and women's business enterprises will have an equitable opportunity to compete for subcontracts, particularly by arranging solicitations, time for preparation of bids, quantities, specifications, and delivery schedules so as to facilitate the participation of minority and women's business enterprises.
- (4) Maintain records showing (i) procedures which have been adopted to comply with the policies set forth in this clause, including the establishment of a source list of minority and women's business enterprises, (ii) awards to minority and women's business enterprises on the source list, and (iii) specific efforts to identify and award contracts to minority and women's business enterprises.
- (5) Include the Utilization Of Minority and Women's Business Enterprises clause in subcontracts which offer substantial minority and women's business enterprises subcontracting opportunities.
- (6) Cooperate with the Government's Contracting Officer in any studies and surveys of the Contractor's minority and women's business enterprises procedures and practices that the Contracting Officer may from time to time conduct.
- (7) Submit periodic reports of subcontracting to known minority and women's business enterprises with respect to the records referred to in subparagraph (4) above, in such a form and manner and at such time (not more often than quarterly) as the Contracting Officer may prescribe.

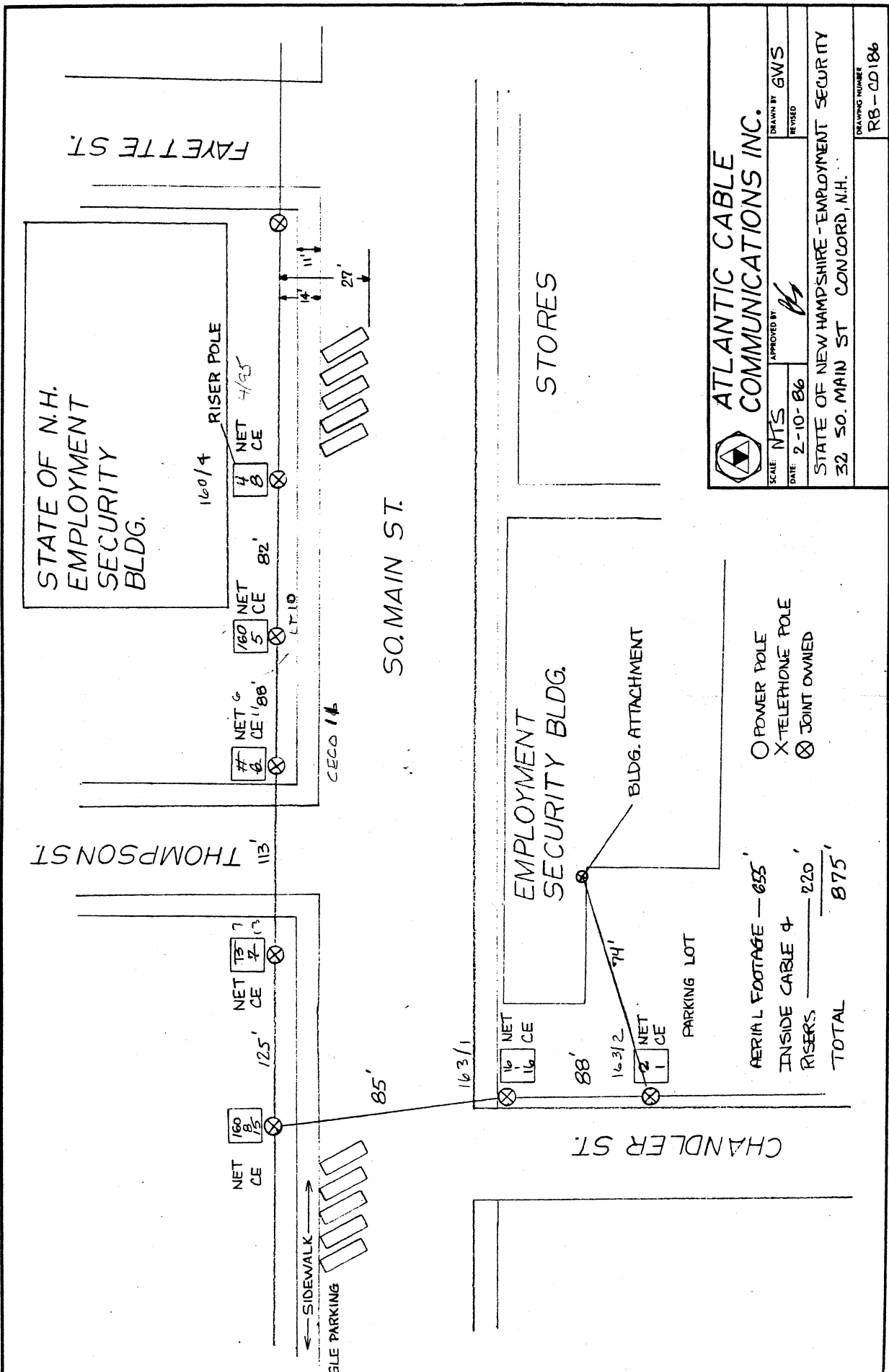
(b) The contractor further agrees to insert, in any subcontract hereunder which may exceed \$500,000 (or in the case of WBE, \$1,000,000 in the case of contracts for the construction of any public facility and which offer substantial subcontracting possibilities) provisions which shall conform substantially to the language of this agreement, including this paragraph (b).

7. List of Employment Openings for Veterans

In accordance with Exec. Order 11701, dated January 24, 1973, and Part 60-250 of Title 41 of the Code of Federal Regulations, as may be amended from time to time, the parties incorporate herein by this reference the regulations and contract clauses required by those provisions to be made a part of Government contracts and subcontracts.

8. Employment of the Handicapped

In accordance with Exec. Order 11758, dated January 15, 1974, and Part 60-741 of Title 41 of the Code of Federal Regulations as may be amended from time to time, the parties incorporate herein by this reference the regulations and contract clauses required by those provisions to be made a part of Government contracts and subcontracts.

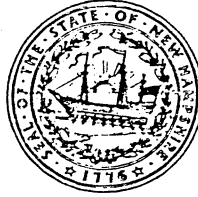


ATTORNEY GENERAL
STEPHEN E. MERRILL

DEPUTY ATTORNEY GENERAL
BRUCE E. MOHL

ASSOCIATE ATTORNEYS GENERAL
NATHAN T. TUCKER
JEFFREY R. HOWARD

THE STATE OF NEW HAMPSHIRE



THE ATTORNEY GENERAL
CIVIL BUREAU
STATE HOUSE ANNEX
25 CAPITOL STREET
CONCORD, NEW HAMPSHIRE 03301-6397

(603) 271-3658

SENIOR ASSISTANT ATTORNEY GENERAL
RONALD F. RODGERS

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AMY L. IGNATIUS
DAVID S. PECK
STEPHEN J. JUDGE
JAMES A. SWEENEY
DOUGLAS N. JONES
LARRY M. SMUKLER

ATTORNEYS
EMILY G. RICE
SUSAN SAGGIOTES

March 19, 1986

Ruth Byron
New England Telephone
1228 Elm Street
Manchester, New Hampshire 03101

Dear Mrs. Byron:

Pursuant to a request from Edward N. Lewis, Business Administrator for the Department of Employment Security, this is to inform you that the State of New Hampshire is self-insured for public liability, property damage, and workers compensation coverage. RSA 99-D:3 provides that the State shall self-insure against all damages, loss, and expenses which may be caused by state officers, officials, or employees performing acts committed within the scope of their official duty.

RSA 281:7-a provides that any public employer may self-insure for workers compensation coverage as long as sufficient funds are appropriated. The legislature has provided sufficient funds for coverage through RSA 8:61.

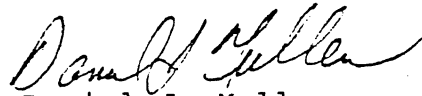
Finally, RSA 9:27 provides that any department of the State may, with the approval of the Governor and Council and within the limits of its appropriation, secure casualty or liability insurance on any property owned by the State or in connection with any program or activity of the State. As the Department of Employment Security has chosen not to secure casualty or liability insurance for property, the State remains a self-insurer.



March 19, 1986
Page Two

I trust that this letter will be sufficient for your records. If you need anything more, please contact Mr. Lewis.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Daniel J. Mullen". The signature is fluid and cursive, with the first name "Daniel" and last name "Mullen" clearly distinguishable.

Daniel J. Mullen
Assistant Attorney General

DJM/jw



CERTIFICATE OF INSURANCE

Wausau Insurance Companies

This is to certify that the insurance policies (described below by a policy number) written on forms in use by the company have been issued. This certificate is not a policy or a binder of insurance and does not in any way alter, amend or extend the coverage afforded by any policy referred to herein.

Name and address of Insured

Tel Plus New England, Inc.
135 Newbury Street
Framingham, MA 01701

Producer No.: 6044

Place: New York, NY 10019

Date Issued:

Region: NY

Kind of Coverage	CO NO *	Expiration Date	Policy Number	** Unless otherwise indicated, this policy affords full coverage under the Workers Compensation laws of all states (except states where coverage can be provided only by State Funds, and Canada) and as designated in the policy and endorsements for Employers Liability.	
Workers Compensation**	2	1 9 86	0516 00 097930		
Comprehensive General Liability	2	1 9 86	0526 00 097930	Limits of Liability	
Special Multi-Peril or Trademark (Section II only)	<input type="checkbox"/>				
Products - Completed Operations:	<input checked="" type="checkbox"/> Included <input type="checkbox"/> Excluded				
Contractual - All Written Contracts:	<input checked="" type="checkbox"/> Included <input type="checkbox"/> Not Covered				
Owners', Landlords' and Tenants' Liability	<input type="checkbox"/>				
Contractual Liability — Contracted Contracts	<input type="checkbox"/>				
Automobile Liability	2	1 9 86	0526 02 097930		
<input checked="" type="checkbox"/> All Owned Autos <input checked="" type="checkbox"/> Hired and Nonowned Autos <input type="checkbox"/> Specified Autos Only					
Umbrella Liability	<input type="checkbox"/>				

Limits of Liability	
Bodily Injury	Property Damage
Each Occurrence	Each Occurrence
Aggregate	Aggregate
Single Limit \$ 1,000,000	Each Occurrence
\$ 1,000,000	Aggregate
Each Occurrence	Each Occurrence
Aggregate	Aggregate
Single Limit \$	Each Occurrence
\$	Aggregate
Per Person	Per Accident
Per Accident	Per Accident
Single Limit \$ 1,000,000	Per Accident
\$	Each Occurrence
\$	Aggregate Products - Completed Operations
\$	Retention

Special Provisions/Locations/Specified Autos:

Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate may be issued or may pertain, the insurance afforded by the policy (policies) described above is subject to all of the terms, exclusions and conditions of such policy (policies) during the term(s) thereof.

*The entry of a number in this column means that the coverage is afforded by the company designated by the same number.

Issued to:

State of New Hampshire
Department of Employment Security
32 So. Main Street
Concord, NH 03301

*Issued by 2. EMPLOYERS INSURANCE OF WAUSAU A Mutual Company

3. WAUSAU UNDERWRITERS INSURANCE COMPANY

5. WORLDWIDE UNDERWRITERS INSURANCE COMPANY

7. ILLINOIS EMPLOYERS INSURANCE OF WAUSAU

1. WAUSAU LLOYDS

Schedule of Fees and Charges
POLE ATTACHMENTS

(A) Attachments

1. General

The licensee shall pay the Licensor as rental for use of each and every pole covered by this Agreement, any portion of which is occupied or reserved at the Licensee's request for its attachment during a calendar year or any portion thereof, an attachment fee as herein specified. Such fee shall be payable to the respective Licensor as detailed below:

2. Annual Attachment Fee

Electric Company:

The Licensee shall pay to Unitil Energy Systems, Inc. - Capital Distribution Operations Center, as rental for the use of each and every pole covered by this Agreement, any portion of which is occupied or reserved at the Licensee's request for its attachments, an Annual Attachment Fee for each attachment for each calendar year or any portion thereof. Such fees shall be payable quarterly on May 1, August 1, November 1, and February 1 of each year for each pole occupied or reserved at any time during any calendar year while this Agreement is in effect. For poles jointly owned or occupied by the Telephone Company and Unitil Energy Systems, Inc. - Capital Distribution Operations Center, fees shall be paid as herein provided with a portion paid to each Company in accordance with the agreed upon rate.

* \$ 10.08 per solely owned Unitil Energy Systems, Inc. - Capital Distribution Operations Center pole.

* \$ 3.76 per attachment per jointly owned or used Telephone Company and Electric Company pole.

3. Unauthorized Attachment Fee

For each pole on which the Licensee has made an unauthorized attachment, payment shall be made by the Licensee to Licensor as follows:

Solely owned pole* \$54.59

Jointly owned pole* \$20.36

(B) Other Charges

Computation

All charges for field survey, inspections, removal of Licensee's facilities from Licensor's poles and any other work performed for Licensee shall be based upon the full cost and expense to Licensor of such work or for having such work performed by an authorized representative plus, unless waived by Licensor or either of them, an amount equal to ten (10%) percent of Licensor's full cost.

(C) Cost of Facility Modifications or Additions

1. Modifications or Additions Benefiting Only Licensee

After Licensee's initial attachment, if a modification benefits Licensee in that it there- by adds to, adjusts or modifies its attachments, Licensee shall be obligated to assume any costs associated with the modification to Licensor's facilities.

2. Modification or Addition Benefiting Multiple Parties

After Licensee's initial attachment, if a modification or addition benefits multiple parties, including Licensee, by allowing the parties to obtain access to the facility or add to, adjust or modify existing attachments, Licensee shall pay a proportionate share of all costs associated with the modification.

- A. Each party's proportionate share of the total cost shall be based on the ratio of the amount of new space occupied by a party to the total amount of new space occupied by all of the parties joining in the modification.

3. Modifications or Additions Initiated or Requested by Licensee

After Licensee's initial attachments, if Licensee seeks to add to, adjust or modify its attachment in any way, any costs associated with modifying a facility shall be borne by the Licensee.

- A. Licensee shall reimburse Licensor on an actual cost basis for any labor or administrative costs incident to providing maps, plats and other data in response to inquiries regarding access.
- B. In the event that a modification or addition by Licensee results in excess capacity that permits additional parties to attach, Licensee may request such parties to reimburse Licensee for costs of the modification to the extent allowed by law.

(Fourteenth Revised)
APPENDIX I

State of New Hampshire
Department of Employment Security
Page 3 of 3
Unitil Energy Systems, Inc.
Capital Distribution Operations Center

- C. In the event that a modification or addition by Licensee results in excess capacity that permits additional parties to attach, Licensors shall not be required to maintain any records regarding the modification or to otherwise facilitate any collection of reimbursement for Licensee from attaching parties.
- D. In the event that a modification or addition by Licensee results in excess capacity that permits additional parties to attach, Licensors shall not be required to apply any after-earned revenues from excess capacity to reimburse Licensee.

(D) Payment Date and Interest Charges

Failure to pay all fees and charges within thirty (30) days after presentment of the bill therefore or on the specified payment date, whichever is later, shall constitute a default of this Agreement.

Interest – Electric Company

Unitil Energy Systems, Inc. - Capital Distribution Operations Center will include an interest charge of one and one-half percent (1 ½%) per month (equivalent to an eighteen percent (18%) annual rate) on all charges outstanding beyond thirty (30) days after the payment date as defined above. The payment of any such interest charge shall not cure or excuse any default by Licensee under this agreement. Licensors, at its sole discretion, may change this late fee from time to time during the term of this Agreement to reflect prevailing market conditions.

(E) Fee Revisions - Electric Company*

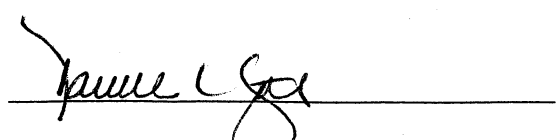
The Annual Attachment Fee(s) set forth in (A) 2 and the Unauthorized Attachment Fee(s) set forth in (A) 3 payable to Unitil Energy Systems, Inc. - Capital Distribution Operations Center shall be computed in accordance with the formulas attached hereto as Exhibit A and Exhibit B, respectively. The fees will be calculated annually, based on data for the preceding calendar year.

*The new rates on this Fourteenth Revised Appendix I become effective May 1, 2005, and amends the Thirteenth Revised Appendix I of the License Agreement.

UNITIL ENERGY SYSTEMS, INC.
Capital Distribution Operations Center



STATE OF NEW HAMPSHIRE
DEPT. OF EMPLOYMENT SECURITY



UNITIL ENERGY SYSTEMS, INC. - CAPITAL DISTRIBUTION OPERATIONS CENTER
CALCULATION OF ANNUAL POLE RENTAL FEES
FOR LICENSEE ATTACHMENTS

1. Net Investment in Bare Poles. Net investment in bare poles for solely and jointly owned poles may be expressed as gross pole investment minus depreciation reserve minus accumulated deferred income taxes. Gross pole investment is the appropriate portion of A/C 364 represented by poles, anchors, stubs, and pushbraces based on the Company's Pole Accountability Reporting (A/C 364). The percentage of gross pole investment to the total of A/C 364 has been allocated to the depreciation reserve for A/C 364. The percentage of gross pole investment less depreciation reserve to gross plant investment less depreciation reserve has been allocated to the total accumulated deferred income tax.

Gross Pole - Depreciation Reserve - Accumulated Deferred = Net Investment in Bare Pole
Investment Income Taxes

Sole Investment: \$4,663,265 - \$1,960,344 - \$443,339 = \$2,259,583

Joint Investment: \$13,890,857 - \$5,839,440 - \$1,320,610 = \$6,730,808

2. Net Investment Per Bare Pole. Net investment per bare pole for solely and jointly owned poles may be expressed as the quotient of net investment in bare poles divided by the number of poles.

Net Investment in Bare Poles = Net Investment Per Bare Pole
Number of Poles

Sole Investment: $\frac{\$2,259,583}{6,012} = \375.85

Joint Investment: $\frac{\$6,730,808}{47,965} = \140.33

3. Carrying Charge. The carrying charge consists of maintenance expense, depreciation, administrative expense, normalized taxes, and cost of capital.

a. Maintenance Expense. Maintenance expense for poles may be expressed as a percentage of net investment by dividing the sum of overhead lines (A/C 593) and overhead lines expense (A/C 583) by the net investment in pole (A/C 364), in overhead conductors (A/C 365), and in services (A/C 369). Net pole investment is gross pole investment less depreciation reserve less accumulated deferred income taxes. Net conductor and services investment is gross investment in conductors and services less depreciation less accumulated deferred income taxes. The percentage of gross investment in Accounts 364, 365, 369 less depreciation to gross plant investment less depreciation reserve has been allocated to total accumulated deferred income tax.

$$\begin{aligned} & \frac{\text{Overhead Lines} + \text{Overhead Lines Expense}}{(\text{Gross Pole} - \text{Depreciation} - \text{Accumulated Deferred})} = \text{Maintenance Expense (expressed as a} \\ & \frac{(\text{Investment} \quad \text{Reserve} \quad \text{Income Taxes})}{+} \text{percentage of net pole investment)} \\ & + \\ & \frac{(\text{Gross Conductor} - \text{Depreciation} - \text{Accumulated Deferred})}{(\text{Investment} \quad \text{Reserve} \quad \text{Income Taxes})} \\ & + \\ & \frac{(\text{Gross Services} - \text{Depreciation} - \text{Accumulated Deferred})}{(\text{Investment} \quad \text{Reserve} \quad \text{Income Taxes})} \end{aligned}$$

$$\frac{\$1,279,609 + \$147,703}{(\$26,863,691 - \$11,292,960 - \$2,553,942) + (\$34,562,504 - \$11,348,743 - \$3,807,567) + (\$11,526,870 - \$5,070,735 - \$1,058,948)} = 3.77\%$$

b. Depreciation. The depreciation rate may be adjusted for application to net by multiplying by the ratio of gross to net pole investment.

$$\frac{\text{Depreciation Rate for}}{\text{Gross Pole Investment}} \times \frac{\text{Gross Pole Investment}}{\text{Net Pole Investment}} = \text{Depreciation (expressed as a percentage of net pole investment)}$$

$$4.410\% \times \frac{\$26,863,691}{(\$26,863,691 - \$11,292,960 - \$2,553,942)} = 9.10\%$$

c. Administrative Expense. The administrative expense may be expressed as a percentage of net plant investment by dividing the total administrative and general expense by the net plant investment. Net plant investment equals gross plant investment less depreciation reserve less accumulated deferred income taxes.

Administrative and General Expense	= Administrative Expense
(Gross Plant - Plant Depreciation - Accumulated Deferred)	(expressed as a percentage
(Investment Reserve Income Taxes	of net plant investment)

$$\frac{\$8,923,848}{(\$146,940,439 - \$51,163,448 - \$15,709,532)} = 11.15\%$$

- d. Normalized Taxes. Normalized Taxes may be expressed as a percentage of net plant by dividing taxes other than income taxes (A/C 408.1) plus federal income taxes and other income taxes (A/C 409.1) plus provision for deferred income tax (A/C 410.1) plus investment tax credit adjustment (A/C 411.4) less provision for deferred income tax credit (A/C 411.1) by net plant investment.

Taxes Other Than Income Taxes + Federal Income Taxes + Other Income Taxes +
(Provision For Deferred Income Tax + Investment Tax Credit Adjustment -
Provision For Deferred Income Tax Credit) = Normalized Taxes
(expressed
(Gross Plant - Depreciation - Accumulated Deferred) as a percentage of net
investment)
(Investment Reserve Income Taxes)

$$\frac{\$2,469,112 + \$1,268,274 + \$679,402 + (\$26,230)}{(\$146,940,439 - \$51,163,448 - \$15,709,532)} = 5.48\%$$

- e. Cost of Capital. Cost of Capital (return on equity and interest on debt) shall be the embedded cost of capital.

$$\text{Cost of Capital} = 9.56\%$$

- f. Total Carrying Charge. Adding the various percentage components, the appropriate carrying charge is:

Maintenance Expense	3.77%
Depreciation	9.10%
Administrative Expense	11.15%
Normalized Taxes	5.48%
Cost of Capital	<u>9.56%</u>

TOTAL CARRYING CHARGE 39.06%

4. Use Ratio. The use ratio may be expressed as the quotient of the space occupied per pole by cable and the average usable space per pole. (Exhibit A-1)

$$\frac{\text{Space Per Pole Occupied by CATV}}{\text{Average Usable Space Per Pole}} = \text{Use Ratio}$$

$$\frac{1 \text{ Foot}}{14.57 \text{ Feet}} = 6.86\%$$

5. Calculated Rate per Sole Owned Pole. The calculated rate is the product of net investment per bare pole times carrying charge times use ratio.

Net Investment Per Bare Pole
x Carrying Charge
x Use Ratio
= Calculated Rate

\$375.85
x 39.06%
x 6.86%
= \$10.08

6. Calculated Rate Per Joint Owned Pole. The calculated rate is the product of net investment per bare pole times carrying charge times use ratio.

Net Investment Per Bare Pole
x Carrying Charge
x Use Ratio
= Calculated Rate

\$140.33
x 39.06%
x 6.86%
= \$3.76

**UNITIL ENERGY SYSTEMS, INC. - CAPITAL DISTRIBUTION OPERATIONS CENTER
CALCULATION OF AVERAGE USABLE SPACE
PER POLE**

The average usable space is calculated by multiplying the number of poles of a given height (actual survey count) by the usable space per pole and dividing the total footage by the total number of poles, as follows:

Pole Height	Number of Poles		Usable Space Per Pole		Total Usable Space
35 Feet	2	x	11 Feet	=	22
40'	4	x	16'	=	64
45'	<u>1</u>	x	16'	=	<u>16</u>
Totals	7 Poles				102 Feet

$$\text{Average Usable space per pole} = \frac{\text{total usable space}}{\text{total number of poles with attachments}}$$

$$\text{Average Usable space per pole} = \frac{102}{7} = 14.57 \text{ feet}$$

**UNITIL ENERGY SYSTEMS, INC. - CAPITAL DISTRIBUTION OPERATIONS CENTER
PROCEDURE FOR CALCULATION OF
UNAUTHORIZED ATTACHMENT FEES**

Calculation of the Unauthorized Attachment Fee:

The unauthorized attachment per pole fee to be paid to Unitil Energy Systems, Inc. - Capital Distribution Operations Center by the Licensee for unauthorized attachment to Unitil Energy Systems, Inc. - Capital Distribution Operations Center's pole plant will be calculated for the two categories of pole ownership; sole and joint. The fees will be calculated annually to be effective for the period May 1 through April 30, based on data of the preceding calendar year. The fees are the product of (a) times (b) plus (c) where (a) equals the annual rental fee for the appropriate pole ownership category, (b) equals a three year rental compound factor and (c) equals an inspection and administration fee. The three year rental compound factor shall be determined by the following formula:

$$b = (1+d) + (1+d)^2 + (1+d)^3$$

wherein (d) equals the fixed charge Rate of Return herein.

The inspection and administration fee (c) shall be 50% of the product of (a) times (b).

Computations of the Unauthorized Attachment Fees in implementation of this Exhibit are shown on Exhibit B-1 attached hereto.

**UNITIL ENERGY SYSTEMS, INC. - CAPITAL DISTRIBUTION OPERATIONS CENTER
CALCULATION OF PER POLE
UNAUTHORIZED ATTACHMENT FEES**

Sole Owned Pole

$$(a) \text{ Annual Rate of Return Compound Factor} = \$10.08$$

$$(b) (1 + d) + (1 + d)^2 + (1 + d)^3 = \underline{3.61}$$

$$(a) \times (b) = \$36.39$$

Plus

$$(c) .50 (a \times b) = \underline{\$18.20}$$

Sole Owned Pole Unauthorized
Attachment Fee =

\$54.59

Joint Owned Pole

$$(a') \text{ Annual Rental Fee} = \$3.76$$

$$\begin{array}{l} \text{Rate of Return Compound Factor} \\ (b') (1 + d) + (1 + d)^2 + (1 + d)^3 = \end{array} \underline{3.61}$$

$$(a') \times (b') = \$13.57$$

Plus

$$(c') .50 (a' \times b') = \underline{\$6.79}$$

Joint Owned Pole Unauthorized
Attachment Fee =

\$20.36